



November 14, 2020

To,
Catalyst Trusteeship Limited

Subject: Listed NCD - Statutory Compliance Report for the Quarter ending September 30, 2020

Ref.: Your letter No.: CTL/MUM/Compliance/Quarterly/2020-21/2004 dated September 30, 2020

Dear Sir / Madam,

This is further to our letter dated October 29, 2020 and November 9, 2020, please find enclosed herewith the following information along with the necessary supporting documents for the quarter ended September 30, 2020 in respect of ISIN INE054A07016 and ISIN INE054A07024:

- a) A Certificate from the Managing Director of the Company, certifying the value of the book debts / receivables as per prescribed format as Annexure A
- b) A Certificate from SCVJ & Associates, Independent Chartered Accountant certifying the value of book debts / receivables as Annexure B
- c) A Statement ensuring that the assets of the company issuing debentures, are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders as Annexure C
- d) A separate Certificate from Price Waterhouse LLP, Chartered Accountants supporting the security cover certificate as Annexure D
- e) A report on utilization of fund raised by the issue of debenture amounting to Rs. 100 Cr Annexure E
- f) A report on utilization of fund raised by the issue of debenture amounting to Rs. 50 Cr Annexure F
- g) Auditors' Report on compliance with all covenants as mentioned in Debenture Trust Deed dated July 29, 2020 as Annexure G
- h) Auditors' Report on compliance with all covenants as mentioned in Debenture Trust Deed dated September 03, 2020 as Annexure H
- i) Statement of compliance with the debt covenants as mentioned in Debenture Trust Deed dated July 29, 2020 as Annexure I
- j) Statement of compliance with the debt covenants as mentioned in Debenture Trust Deed dated September 03, 2020 as Annexure J

VIP INDUSTRIES LIMITED

Registered Office: DGP House, 5th Floor, 88C, Old Prabhadevi Road, Mumbai 400 025. INDIA.
TEL: +91 (22) 6653 9000 FAX: +91 (22) 6653 9089 EMAIL: corpcomm@vipbags.com WEB: www.vipbags.com
CIN - L25200MH1968PLC013914



- k) Statement of Security Cover ratio as on September 30, 2020 as mentioned in para 'ttt' of clause 1.1 of the Debenture Trust Deed dated July 29, 2020 and September 03, 2020 as Annexure K
- l) Statement of drawing power as on September 30, 2020 based on the stock and book debt position as Annexure L
- m) Statutory Auditor's Report on Compliance with Statement of Drawing power as on September 30, 2020 as Annexure M

Please note that submission of a (i) report from the lead bank regarding progress of the project and (ii) A certificate from the Company's Statutory Auditor In respect of utilization of funds during the implementation period of the project are not applicable as the issue of Debentures of Rs. 100 Crores & Rs. 50 Crores respectively are for long term working capital financing and not project financing.

The Company has requested the Insurance Company to hypothecate the insurance policies in the joint names of the Catalyst Trusteeship Limited, however, the same will take some time due to ongoing Covid 19 Pandemic.

Submitted for your record please.

Thanking you,

Yours faithfully,

For V.I.P. Industries Limited



Anand Daga
Company Secretary & Head Legal

VIP INDUSTRIES LIMITED

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To,
Catalyst Trusteeship Ltd.

CERIFICATE

In accordance with Regulation 15 (t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993, Based on certificate issued by Independent Chartered Accountant for V.I.P. Industries Limited , I hereby certify that the total receivables of the Company as on September 30, 2020 are ₹ 167.83 Crore against which Company has issued Non-convertible Debentures of ₹ 100 Crore.

For V.I.P. Industries Limited



Sudip Ghose
Managing Director
DIN: 08351249
Place: Mumbai
Date: 11th November, 2020

VIP INDUSTRIES LIMITED

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To,
Catalyst Trusteeship Ltd.

CERIFICATE

In accordance with Regulation 15 (t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993, Based on certificate issued by Independent Chartered Accountant for V.I.P. Industries Limited , I hereby certify that the total receivables of the Company as on September 30, 2020 are ₹ 167.83 Crore against which Company has issued Non-convertible Debentures of ₹ 50 Crore.

For V.I.P. Industries Limited



Sudip Ghose
Managing Director
DIN: 08351249
Place: Mumbai
Date: 11th November, 2020

VIP INDUSTRIES LIMITED

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CIN - L25200MH1968PLC013914

To,
Catalyst Trusteeship Limited
(the "Debenture Trustee")
Office No.604, 6th Floor,
Windsor, C.S.T. Road,
Kalina, Santacruz (East),
Mumbai 400098.

Independent Practitioner's report on the statement of total value of Trade Receivables of VIP Industries Limited ("the Company") as on 30th September, 2020 as extracted from the unaudited financial results and the statement of assets & liability for the quarter and half year ended on 30.09.2020 published by the Company in terms of SEBI Regulations.

1. This report has been issued in accordance with the terms of Company's request dated November 11, 2020.
2. During the financial year 2020-21, the **VIP Industries Limited** ("the Company") having its registered office situated at DGP House 5th Floor, 88C Old Prabhadevi Road, Mumbai 400025 has issued 1,500 Listed, Secured, Redeemable, Non-Convertible Debentures having face value of Rs. 10,00,000 each, of the aggregate Nominal Value of Rs. 150,00,00,000 on a Private Placement basis and, the **Catalyst Trusteeship Limited** were being appointed as Debenture Trustee for the said transaction. Pursuant to this, the **Catalyst Trusteeship Limited** as a debenture trustee is in requirement of Independent Chartered Accountant's Certificate certifying total value of trade receivables of the Company as on 30th September, 2020. Accordingly, we have been requested by the Company to issue the above stated certificate.

Below is Statement of the total value of trade receivables as on 30th September, 2020 as per unaudited financial results and the statement of assets and liability for the quarter and half year ended on 30.09.2020 :

Particulars	As at 30.09.2020 (Rs. In Crores)
Value of Trade Receivables	167.83

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting, financial results and statement of assets and liability as published by the Company in terms of SEBI Regulations, and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management also responsible for ensuring that the Company complies with the requirements of the provisions of the Companies Act, 2013, debenture trust deed, transaction document, SEBI regulations and other applicable laws.

Practitioner's Responsibility

5. Pursuant to the requirement of the company as mentioned above, it is our responsibility to provide a reasonable assurance that, details of Trade Receivables of the Company as on 30th September, 2020 have been correctly extracted from the unaudited financial results and statement of assets & liability for the quarter

and half year ended on 30.09.2020 published by the Company in terms of SEBI Regulations. The following details and documents have been furnished by the Company and verified by us :

- i. Copy of debenture trust deeds
- ii. Statement of trade receivables as on 30.09.2020
- iii. Copy of unaudited financial result and statement of assets & liability for the quarter and half year ended on 30.09.2020 published by the Company in terms of SEBI Regulations.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by The Institute of Chartered Accountants of India (“ICAI”). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

Opinion

8. Based on our examination, as above, and the information and explanations given to us, we are of the opinion that, the details of Trade Receivables of the Company as on 30th September, 2020 have been correctly extracted from the unaudited financial results and statement of assets & liability for the quarter and half year ended on 30.09.2020 published by the Company in terms of SEBI Regulations.

Restriction on Use

9. The certificate is issued solely for the purpose to meet the requirement of Debenture Trustee as stated above. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. **S C V J & Associates** shall not be liable to the Company, or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For S C V J & Associates

Chartered Accountants

Firm Reg. No. 148419W

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Vikas Jain

Partner

Membership No. 143546

Place: Mumbai

Date: 13th November, 2020

UDIN : 20143546AAAABM1310



November 13, 2020

**To,
Catalyst Trusteeship Limited
Mumbai**

Reg.: Debenture Trust Deed dated July 29, 2020 and September 03, 2020
ISIN - INE054A07016 & INE054A07024

Dear Sir,

This is to certify that the assets of the Company are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders.

For VIP Industries Limited

Anand Daga
Company Secretary & Head Legal

VIP INDUSTRIES LIMITED

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TEL: +91 (22) 6653 9000 FAX: +91 (22) 6653 9089 EMAIL: corpcomm@vipbags.com WEB: www.vipbags.com
CIN - L25200MH1968PLC013914

Price Waterhouse Chartered Accountants LLP

November 12, 2020

For the kind attention of the Board of Directors

The Board of Directors
M/s. V.I.P. Industries Limited
DGP House, 5th Floor, 88C
Old Prabhadevi Road,
Mumbai

Auditors' Report on Compliance with security cover as per Debenture Trust Deed dated July 29, 2020 and September 03, 2020 as on September 30, 2020

1. This report is issued in accordance with the terms of our engagement letter dated November 12, 2020.
2. The accompanying Statement of security cover as on September 30, 2020 as mentioned in Clause 6.4 of Security Related Provisions of the Debenture Trust Deed dated July 29, 2020 and September 03, 2020 ("Statement") has been prepared by the management of V.I.P. Industries Limited (the "Company") as at September 30, 2020 pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated September 2, 2015 to be read with, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2020, dated October 08, 2020, (collectively referred as the "Listing Regulations, 2015") and pursuant to Debenture Trust Deed dated July 29, 2020 and September 03, 2020, which has been digitally signed by us for identification purposes.

Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Listing Regulations 2015 and it provides all relevant, complete and accurate information as required therein.

Auditors' Responsibility

5. Pursuant to the Listing Regulations, 2015, it is our responsibility to examine the Statement and to report whether anything has come to our attention that causes us to believe that the particulars in the Statement prepared by the Company are not in agreement with the books and relevant records of the Company as at September 30, 2020, as produced to us by the Management during the course of our examination.
6. The financial statements for the year ending March 31, 2021 relating to the books and records referred to in paragraph 5 above, are subject to our audit pursuant to the requirements of the Companies Act, 2013.

.....
Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai – 400 028
T: +91(22) 66691500, F: +91 (22) 66547804/07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LUPIN AAC-5001) with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Auditors' Report on Compliance with security cover

V.I.P. Industries Limited

Page 2 of 3

7. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:
 - i. Trace the Current Assets as on September 30, 2020 from the Statement of unaudited standalone financial results for the quarter and the half year ended September 30, 2020 ("Results").
 - ii. Trace the outstanding amount as defined in Para 'fff' of Clause 1.1 Definitions of Debenture Trust Deed dated July 29, 2020 and September 03, 2020 respectively, from the Statement of unaudited standalone financial results for the quarter and the half year ended September 30, 2020 ("Results").
 - iii. Verify the mathematical accuracy of the calculations
 - iv. Verify that Security Cover is at least 1.5 times of the outstanding amount of the Debentures as mentioned in para 'ttt' of clause 1.1 read with 6.4.1 of the Debenture Trust Deed.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

10. Based on our examination, as above, and according to the information and explanations given to us, we report that nothing has come to our attention that causes us to believe that the particulars in the Statement are not in agreement with the books and relevant records of the Company

Emphasis of matter

11. We draw your attention to Note 6 to the accompanying statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to the financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Restriction on Use

12. Our work was performed solely to assist you in meeting the requirements of the Listing Regulations, 2015 to enable the Company to meet the conditions of Regulation 56(d) of the Listing Regulations, 2015. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

Price Waterhouse Chartered Accountants LLP

Auditors' Report on Compliance with security cover

V.I.P. Industries Limited

Page 3 of 3

13. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Debenture trustees and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

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Partner
Membership No.: 100681
UDIN: 20100681AAAAFZ6699

Place: Mumbai
Date: November 12, 2020



November 13, 2020

To,
Catalyst Trusteeship Limited
Mumbai

Report on utilization of fund raised by the issue of debenture
Issue Size - Rs 100 Crs - (ISIN INE054A07016)

Security Name	7.45% V.I.P. Industries Limited 2022
Issuer	V.I.P. Industries Limited
Objects of the Issue and details of utilization of the proceeds	For general corporate purposes including but not limited to refinancing of the existing debt, capital expenditure, long-term working capital and for the ordinary course of business operations.
Coupon Rate	7.45% per annum payable annually
Coupon Type	Fixed
Instrument Details	1000 Numbers 7.45% Listed, Secured, Redeemable, Non-Convertible Debentures having face value of Rs. 10,00,000 each
Proceeds Received	Rs 100 Crs
Tenor	Door to Door tenor of 2 years from the Deemed Date of Allotment.
Issue Opening and Closing date	July 30, 2020
Put/Call Option	At the end of 12 months from the Deemed Date of Allotment
Put Date	The date falling at the end of 12 months from the Deemed date of allotment i.e. July 30, 2021
Call Date	The date falling at the end of 12 months from the Deemed date of allotment i.e. July 30, 2021
Redemption Date	Bullet at the end of Tenor i.e. July 29, 2022 subject to any early redemption under the terms of the Issue.
End use of Proceeds :-	The issue proceeds have been used for repaying working capital consortium lenders and investment in debt mutual funds for meeting long term working capital requirement and for the ordinary course of business operations.

For VIP Industries Limited

Anand Daga
Company Secretary & Head Legal

VIP INDUSTRIES LIMITED

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CIN - L25200MH1968PLC013914



November 13, 2020

To,
Catalyst Trusteeship Limited
Mumbai

Report on utilization of fund raised by the issue of debenture
Issue Size - Rs 50 Crs (ISIN INE054A07016)

Security Name	7.25% Rated V.I.P. Industries 2022
Issuer	V.I.P. Industries Limited
Objects of the Issue and details of utilization of the proceeds	For general corporate purposes including but not limited to refinancing of the existing debt, capital expenditure, long-term working capital and for the ordinary course of business operations.
Coupon Rate	7.25% per annum payable annually
Coupon Type	Fixed.
Instrument Details	500 Numbers 7.25% Listed, Secured, Redeemable, Non-Convertible Debentures having face value of Rs. 10,00,000 each
Proceeds Received	Rs 50 Crs
Tenor	Door to Door tenor of 729 days from the Deemed Date of Allotment.
Issue Opening and Closing date	3 rd September 2020 and 7 th September, 2020
Put/Call Option	At the end of 12 months from the Deemed Date of Allotment
Put Date	The date falling at the end of 12 months from the Deemed date of allotment i.e. September 7, 2021
Call Date	The date falling at the end of 12 months from the Deemed date of allotment i.e. September 7, 2021
Redemption Date	Bullet at the end of Tenor i.e. September 6, 2022 subject to any early redemption under the terms of the Issue.
End use of Proceeds :-	The issue proceeds have been parked in fixed deposit of scheduled commercial bank and in Commercial Paper for meeting long term working capital requirement and for the ordinary course of business operations.

For VIP Industries Limited

Anand Daga
Company Secretary & Head Legal

VIP INDUSTRIES LIMITED

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CIN - L25200MH1968PLC013914

Price Waterhouse Chartered Accountants LLP

Date: November 12, 2020

For the kind attention of the Board of Directors

The Board of Directors
M/s. V.I.P. Industries Limited
DGP House, 5th Floor, 88C
Old Prabhadevi Road,
Mumbai

Auditors' Report on compliance with all covenants, in respect of listed non-convertible debt securities as on September 30, 2020

1. This report is issued in accordance with the terms of our engagement letter dated November 12, 2020.
2. The accompanying statement 'Compliance status of all covenants as mentioned in Debenture Trust Deed dated July 29, 2020 containing compliance status of :
 - i) Information Covenants mentioned in Clause 8.1;
 - ii) Positive Covenants mentioned in Clause 8.2;
 - iii) Negative Covenants mentioned in Clause 8.3;
 - iv) Financial Covenants mentioned in Clause 8.4; and
 - v) Covenants to Pay mentioned in Clause 3.2; mentioned in Debenture Trust Deed dated July 29, 2020 (hereinafter together referred as the "Statement");has been prepared by the management of V.I.P. Industries Limited (the "Company") as at September 30, 2020 pursuant to Regulation 56 (1) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated September 2, 2015 to be read with, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2020, dated October 08, 2020, (collectively referred as the "Listing Regulations, 2015"), which has been digitally signed by us for identification purposes.

Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Listing Regulations 2015 and it provides all relevant, complete and accurate information as required therein.

Auditors' Responsibility

5. Pursuant to the Listing Regulations, 2015, it is our responsibility to examine the Statement and to report whether anything has come to our attention that causes us to believe that the particulars in the Statements prepared by the Company are not in agreement with the books and relevant records of the Company for the period April 1, 2020 to September 30, 2020, as produced to us by the Management during the course of our examination.
6. The financial statements for the year ending March 31, 2021 relating to the books and records referred to in paragraph 5 above, are subject to our audit pursuant to the requirements of the Companies Act, 2013.

.....
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Price Waterhouse Chartered Accountants LLP

Auditors' Report on compliance with all covenants

V.I.P. Industries Limited

Page 2 of 3

7. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:
 - i. For Clause 8.1.1 (a), (b), (c), (d), (l), (w), (x), (y) We have verified the minutes of meeting and no instances of occurrences of relevant events identified.
 - ii. For Clause 8.1.1 (e) We have verified the minutes of meeting for any occurrence of such event which constitutes a Material Adverse Effect and we have also relied on management representation.
 - iii. For Clause 8.1.1 (f), (g), (h), (k), (n), (o), (p), (bb) We have verified the relevant communication and report/certificate sent to debenture trustees.
 - iv. For Clause 8.1.1 (v) We have verified CHG-9 for any application for modification of charge and relevant communication to debenture trustee, if any.
 - v. For Clause 8.1.1 (z) We have verified list of all certificate and relevant communication to the debenture trustee. We have also obtained management representation.
 - vi. For Clause 8.2.1 (a) We have verified the details of the Chairman of board of directors of the company from BSE website to ensure that the Promoter shall remain the Chairman of the company during the tenor of the debentures.
 - vii. For Clause 8.2.1 (b) We have verified the shareholding of the promoter and promoter group from BSE website.
 - viii. For Clause 8.2.1 (c) We have verified the details of utilization of monies received upon subscription to Debentures.
 - ix. For Clause 8.2.1 (d) We have verified the minutes of meetings.
 - x. For Clause 8.2.1 (f) We have verified the relevant transaction documents.
 - xi. For Clause 8.2.1 (g) We have verified the filings with Stock exchange during the period July 29, 2020 to September 30, 2020 and checked if any complaints have been received from the Debenture trustees during the period.
 - xii. For Clause 8.2.1 (n) We have verified the details of any unclaimed interest / dividend
 - xiii. For Clause 8.2.1 (r) We have verified the existence of charge from Ministry of Corporate Affairs website and verify Form CHG-9.
 - xiv. For Clause 8.2.1 (s) We have obtained full listing of total expenses incurred for issuance of debentures and traced the same to bank statements.
 - xv. For Clause 8.4.1 (a), (b) We have verified the relevant management representations.
 - xvi. For Clause 8.4.1 (c) We have verified the communication of the relevant certificate to Debenture Trustee.
 - xvii. For Clause 8.1.1 (m) and 8.2.1 (h), (i), (j), (k), (o), (p), (q) - We have relied on Management Representation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

10. Based on our examination, as above, and according to the information and explanations given to us, we report that nothing has come to our attention that causes us to believe that the particulars in the Statement are not in agreement with the books and relevant records of the Company.

Price Waterhouse Chartered Accountants LLP

Auditors' Report on compliance with all covenants

V.I.P. Industries Limited

Page 3 of 3

Emphasis of matter

11. We draw your attention to Note 4 to the accompanying statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to the financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Restriction on Use

12. Our work was performed solely to assist you in meeting the requirements of the Listing Regulations, 2015 to enable the Company to meet the conditions of Regulation 56 (1)(d) of the Listing Regulations, 2015. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
13. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Debenture trustees and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016

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Place: Mumbai
Date: November 12, 2020

Alpa Kedia
Partner
Membership No.: 100681
UDIN: 20100681AAAAGC5408

Price Waterhouse Chartered Accountants LLP

Date: November 12, 2020

For the kind attention of the Board of Directors

The Board of Directors
M/s. V.I.P. Industries Limited
DGP House, 5th Floor, 88C
Old Prabhadevi Road,
Mumbai

Auditors' Report on compliance with all covenants, in respect of listed non-convertible debt securities as on September 30, 2020

1. This report is issued in accordance with the terms of our engagement letter dated November 12, 2020.
2. The accompanying statement 'Compliance status of all covenants as mentioned in Debenture Trust Deed dated September 03, 2020 containing compliance status of :
 - i) Information Covenants mentioned in Clause 8.1;
 - ii) Positive Covenants mentioned in Clause 8.2;
 - iii) Negative Covenants mentioned in Clause 8.3;
 - iv) Financial Covenants mentioned in Clause 8.4; and
 - v) Covenants to Pay mentioned in Clause 3.2; mentioned in Debenture Trust Deed dated September 03, 2020 (hereinafter together referred as the "Statement");has been prepared by the management of V.I.P. Industries Limited (the "Company") as at September 30, 2020 pursuant to Regulation 56 (1) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated September 2, 2015 to be read with, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2020, dated October 08, 2020, (collectively referred as the "Listing Regulations, 2015"), which has been digitally signed by us for identification purposes.

Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Listing Regulations 2015 and it provides all relevant, complete and accurate information as required therein.

Auditors' Responsibility

5. Pursuant to the Listing Regulations, 2015, it is our responsibility to examine the Statement and to report whether anything has come to our attention that causes us to believe that the particulars in the Statements prepared by the Company are not in agreement with the books and relevant records of the Company for the period April 1, 2020 to September 30, 2020, as produced to us by the Management during the course of our examination.
6. The financial statements for the year ending March 31, 2021 relating to the books and records referred to in paragraph 5 above, are subject to our audit pursuant to the requirements of the Companies Act, 2013.

.....
Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai – 400 028

T: +91(22) 66691500, F: +91 (22) 66547804/07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LUPIN AAC-5001) with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Auditors' Report on compliance with all covenants

V.I.P. Industries Limited

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7. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:
 - i. For Clause 8.1.1 (a), (b), (c), (d), (l), (w), (x), (y) We have verified the minutes of meeting and no instances of occurrences of relevant events identified.
 - ii. For Clause 8.1.1 (e) We have verified the minutes of meeting for any occurrence of such event which constitutes a Material Adverse Effect and we have also relied on management representation.
 - iii. For Clause 8.1.1 (f), (g), (h), (k), (n), (o), (p), (bb) We have verified the relevant communication and report/certificate sent to debenture trustees.
 - iv. For Clause 8.1.1 (v) We have verified CHG-9 for any application for modification of charge and relevant communication to debenture trustee, if any.
 - v. For Clause 8.1.1 (z) We have verified list of all certificate and relevant communication to the debenture trustee. We have also obtained management representation.
 - vi. For Clause 8.2.1 (a) We have verified the details of the Chairman of board of directors of the company from BSE website to ensure that the Promoter shall remain the Chairman of the company during the tenor of the debentures.
 - vii. For Clause 8.2.1 (b) We have verified the shareholding of the promoter and promoter group from BSE website.
 - viii. For Clause 8.2.1 (c) We have verified the details of utilization of monies received upon subscription to Debentures.
 - ix. For Clause 8.2.1 (d) We have verified the minutes of meetings.
 - x. For Clause 8.2.1 (f) We have verified the relevant transaction documents.
 - xi. For Clause 8.2.1 (g) We have verified the filings with Stock exchange during the period September 03, 2020 to September 30, 2020 and checked if any complaints have been received from the Debenture trustees during the period.
 - xii. For Clause 8.2.1 (n) We have verified the details of any unclaimed interest / dividend
 - xiii. For Clause 8.2.1 (r) We have verified the existence of charge from Ministry of Corporate Affairs website and verify Form CHG-9.
 - xiv. For Clause 8.2.1 (s) We have obtained full listing of total expenses incurred for issuance of debentures and traced the same to bank statements.
 - xv. For Clause 8.4.1 (a), (b) We have verified the relevant management representations.
 - xvi. For Clause 8.4.1 (c) We have verified the communication of the relevant certificate to Debenture Trustee.
 - xvii. For Clause 8.1.1 (m) and 8.2.1 (h), (i), (j), (k), (o), (p), (q) - We have relied on Management Representation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

10. Based on our examination, as above, and according to the information and explanations given to us, we report that nothing has come to our attention that causes us to believe that the particulars in the Statement are not in agreement with the books and relevant records of the Company.

Price Waterhouse Chartered Accountants LLP

Auditors' Report on compliance with all covenants

V.I.P. Industries Limited

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Emphasis of matter

11. We draw your attention to Note 4 to the accompanying statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to the financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Restriction on Use

12. Our work was performed solely to assist you in meeting the requirements of the Listing Regulations, 2015 to enable the Company to meet the conditions of Regulation 56(d) of the Listing Regulations, 2015. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
13. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Debenture trustees and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016

ALPA KEDIA

Digitally signed by
ALPA KEDIA
Date: 2020.11.12
22:12:34 +05'30'

Place: Mumbai
Date: November 12, 2020

Alpa Kedia
Partner
Membership No.: 100681
UDIN: 20100681AAAAGB2541



November 12, 2020

To,
Catalyst Trusteeship Limited

Statement of compliance with the debt covenants

Compliance status of all covenants and mentioned in the Debenture Trust Deed dated July 29, 2020 for the period July 29, 2020 to September 30, 2020

Dear Sirs,

Covenants	Procedures performed by management	Complied
Clause 8.1 Information Covenants		
8.1.1 The Issuer shall provide / cause to be provided information in respect of the following promptly from the occurrence of such event (unless otherwise specifically provided):		
(a) Notification to the Debenture Trustee in writing of any notice of any application for insolvency resolution process or winding up having been made or receipt of any statutory notice of commencement of insolvency resolution process or winding up under the provisions of the Act.	The Company has not received any notice of any application for insolvency resolution process or winding up having been made or receipt of any statutory notice of commencement of insolvency resolution process or winding up under the provisions of the Act	Yes
(b) Notification to the Debenture Trustee in writing of any proposed change in the nature or scope of the business or operations of the Company prior to the date on which such action is proposed to be given effect, which affects the Debenture Holders adversely.	The Company has not proposed any change in the nature or scope of the business or operations.	Yes
(c) Notification to the Debenture Trustee in writing of any major change in the composition of its Board of Directors.	There is no change in the composition of the Board of Directors during the period July 29, 2020 to September 30, 2020	Yes
(d) Notify the Debenture Trustee in writing of any event which constitutes an Early Redemption Event/ Event of Default or any event which may constitute (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Early Redemption Event / Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same. This should be notified forthwith.	No event has triggered which constitutes or may constitute Early Redemption Event/ Event of Default for the period July 29, 2020 to September 30, 2020	Yes
(e) Notify the Debenture Trustee in writing of the occurrence of any event which constitutes Material Adverse Effect together with the remedial steps proposed to be taken by the Issuer.	No event has triggered which constitutes material adverse effect for the period July 29, 2020 to September 30, 2020	Yes

VIP INDUSTRIES LIMITED

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<p>(f) Submission of a certificate from the statutory auditor of the Company regarding the utilisation of the proceeds raised from the issuance of the Debentures, within a maximum period of 30 (thirty) days from Deemed Date of Allotment.</p>	<p>We have submitted CA certificate (Sandeep L Jain and associates) dated 28th August 2020 regarding utilisation of proceeds raised from Debentures within 30 days. (Not by Statutory auditor).</p>	<p>Yes</p>
<p>(g) Submission of a report to the Debenture Trustee on a quarterly basis and/or upon request, containing the following particulars: (i) Updated list of names and addresses of the Debenture Holders; (ii) Details of payments due but unpaid and reasons for non-payment thereof; (iii) The number and nature of grievances received from the Debenture Holders and (a) resolved by the Issuer or (b) those grievances not yet resolved to the satisfaction of the Debenture Holders and the reasons for the same; (iv) a statement that the Secured Assets which are made available by way of Security are sufficient to discharge the claims of the Debenture Holders as and when they become due; (v) Certificate from the director/managing director of the Issuer certifying the value of the book debts / receivables; and (vi) Any other information as may be required by the Debenture Trustee</p>	<p>The Company has submitted a report to the Debenture Trustee on 30th October, 2020 -- (i) Updated list of names and addresses of the Debenture Holders; (ii) Details of payments due but unpaid and reasons for non-payment thereof; (iii) The number and nature of grievances received from the Debenture Holders and (a) resolved by the Issuer or (b) those grievances not yet resolved to the satisfaction of the Debenture Holders and the reasons for the same. (iv) In addition to the statement mentioned in this clause, a separate Certificate from a Practicing Chartered Accountant supporting the security cover certificate is submitted. (v) MD certificate certifying the value of the Book debts / receivable to be submitted along with the Certificate from an independent chartered accountant giving the value of book debts / receivables.</p>	<p>Yes</p>
<p>(h) Submit to the Debenture Trustee the unaudited financial results on a half yearly basis, within 60 (sixty) days from the end of each half-year.</p>	<p>Submitted on November 9, 2020 post approval of unaudited financial results for the quarter ended 30th September, 2020 by the Board of Directors of the Company</p>	<p>Yes</p>
<p>(k) Submit to the Debenture Trustee at the end of every quarter and in any event not later than 30 (thirty) days from the end of each quarter, a statement of its drawing power and stock statement, certified by its statutory auditors;</p>	<p>Requirement for certification of a statement of its drawing power and stock statement to be certified by statutory auditors within agreed timeline of 45 days from the end of quarter ended September 30, 2020</p>	<p>Yes</p>
<p>(l) Notification of occurrence of any event that can put the Secured Assets in jeopardy;</p>	<p>No such even has occurred which put the Company's secured assets in jeopardy for the period July 29, 2020 to 30 Sep, 2020</p>	<p>Yes</p>

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(m) Submission to the Debenture Trustee, all such documents as are dispatched by the Company to its shareholders (or any class of them) or its creditors generally, simultaneously with the dispatch of the same to its shareholders/creditors.	No documents have been dispatched by the Company to its shareholders or its creditors	Yes
(n) Submission to the Debenture Trustee, a certificate signed by an authorised officer of the Company confirming credit of dematerialised Debentures into the depository accounts of the Debenture Holder(s) within the timelines as agreed between the Parties or as prescribed by the Applicable Laws, whichever is earlier.	Certificate signed by Company Secretary confirming credit of dematerialised Debentures into the depository accounts of the Debenture Holder was submitted on 30 th October, 2020	Yes
(o) Notification to the Debenture Trustee in writing of any change in the credit rating assigned to the Debentures	There is no change or revision in the credit rating. Crisil has assigned CRISIL AA/Stable vide its letter dated September 1, 2020	Yes
(p) Submission to the Debenture Trustee, a copy of all notices, resolutions and circulars relating to: (i) new issue of non-convertible debt securities at the same time as they are sent to shareholders/holders of non-convertible debt securities; (ii) the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings.	No such notices, resolutions and circulars relating to new issue / meetings of holders of non-convertible debt securities are sent to the Shareholders / NCD holders	Yes
(v) Notify the Debenture Trustee in writing of any security interest being granted or established or becoming enforceable over any of the Company's assets.	No new charge / interest is created or enforced over any of the Company's assets.	Yes
(w) Notify the Debenture Trustee in writing, of any proposed change in Management Control, prior to 20 (Twenty) days of such proposed change in Management Control.	There is no proposed change in Management Control for the period July 29, 2020 to September 30, 2020	Yes
(x) Notify the Debenture Trustee forthwith of any litigation/proceedings by or against the Company which may adversely affect the Company or the Secured Assets or prejudice the obligations undertaken by the Company under the Transaction Documents.	There is no litigation/proceedings filed by or against the Company which may adversely affect the Company or the Secured Assets or prejudice the obligations undertaken by the Company under the Transaction Documents.	Yes
(y) Promptly inform the Debenture Trustee in the event of the occurrence of any of the following: - (i) any corporate debt restructuring undertaken by the Company; (ii) any fraud/defaults by the promoter of the Company or key managerial personnel of the Company or by the Company or arrest of any key managerial personnel of the Company; and (iii) reference to national company law tribunal or insolvency petitions (if any) filed by any creditor of	During the period July 29, 2020 to September 30, 2020: (i) The Company has not undertaken any corporate debt restructuring undertaken (ii) No event has occurred like fraud / defaults by Promoters / KMP's or arrest of KMP's of the Company or arrest of any key managerial personnel of the Company (iii) No reference to NCLT has been made	Yes

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the Company.	or insolvency petitions (if any) filed by any creditor of the Company	
(z) Furnish to the Debenture Trustee such other information and certificates, as may be required from time to time as per the Applicable Laws.	The Company has submitted the required information and certificates as per the applicable laws .	Yes
(bb) Furnish to the Debenture Trustee, within 30 (thirty) days from the end of each quarterly, a certificate from a practicing chartered accountant in a form and manner acceptable to the Debenture Trustee (with a copy marked to the Debenture Holders), certifying that the Required Security Cover is maintained.	We have submitted Certificate dated 28 th Oct 2020 from a practicing CA Ms S C V J and associates certifying that required security Cover is maintained. The same is share with Debenture Trustee. The required Security cover of 1.5x of current assets as on 30th Sept 2020 is maintained.	Yes
Clause 8.2 Positive Covenants		
8.2.1 The Issuer hereby covenants and agrees that until the Final Settlement Date, the Issuer shall comply with the following:		
(a) The Issuer shall ensure that the Promoter shall remain the chairman on the board of directors of the Issuer during the tenor of the Debentures.	The Company has ensured that promoter remains the Chairman on the Board of Directors	Yes
(b) The Issuer shall ensure that the Promoter and the Promoter Group, shall at all points of time, hold 51% of the shareholding of the Issuer, till the subsistence of the Debentures.	The Promoters and Promoters Group holding is 53.46% for the period April 01, 2020 to September 30, 2020	Yes
(c) The Issuer shall utilise the monies received upon subscription to the Debentures solely towards the End Use.	The Company has utilized the monies solely towards the end use i.e. for the general purpose of the Company	Yes
(d) The Issuer shall maintain its/ their existence, corporate or otherwise, and right to carry on business and operations and ensure that it has the appropriate, requisite material consents and is duly qualified to conduct its business and operations as it is conducted in all applicable jurisdictions and will obtain and maintain all material consents and rights necessary for the conduct of its business and operations in such jurisdictions.	The Company has maintained its right to carry on business and operations with all the requisite consents are in place.	Yes
(f) The Issuer shall perform all of its respective obligations under the terms of the applicable Transaction Documents and maintain in full force and effect each of the Transaction Documents to which it is a party.	The Company has performed all its respective obligations under the transaction documents like creation of security, crediting of debentures in favor of debenture holders, etc	Yes
(g) The Issuer shall without undue delay attend to and redress the grievances, if any, of the Debenture Holder(s). The Issuer further agrees that it shall promptly advise the Debenture Trustee of the grievances and the steps taken by the Issuer to	No Complaint has been received for the period July 29, 2020 to September 30, 2020	Yes

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<p>redress the same. The Issuer further shall inform the Debenture Trustee of any unsatisfied grievances and may accept the suggestions of the Debenture Trustee in the redressal of the same.</p>		
<p>(h) Records and Inspection: The Issuer hereby agrees that it shall: (i) keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under the law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations and which shall contain full, true and correct entries in conformity with generally accepted accounting principles consistently applied and all requirements of law; and (ii) at its sole cost and expense permit the Debenture Trustee, as the representative of the Debenture Holders, to enter into, after having provided the Issuer with reasonable notice of at least 14 (Fourteen) Business Days, its premises and carry out technical, financial and legal inspections of its assets, facilities and inspect and make copies of the books of record and accounts of the Issuer to discuss the affairs, finances and accounts of the Issuer with, and be advised as to the same, by its officers.</p>	<p>The Company has kept adequate accounting and control systems, management information systems, books of account, and other records at the registered office of the Company which contains full, true and correct entries in conformity as per the Indian Accounting Standards. (ii) No such notice / email received from the Debenture Trustee to carry out technical, financial and legal inspections of Company's assets, facilities and inspect and make copies of the books of record and accounts.</p>	<p>Yes</p>
<p>(I) The Company shall: (i) pay or cause to be paid all Taxes (including stamp taxes), duties, fees, or other charges payable on or in connection with the execution, issue, delivery, registration, or notarization, or for the legality, validity, or enforceability of any of the Transaction Documents and any other documents related thereto; (ii) pay or cause to be paid all Taxes, duties and fees payable by it under Applicable Law, including but not limited to payment of (i) all present and future Taxes imposed on it prior to or on the date when due and (ii) all present and future claims, levies or liabilities (including for labour, services, materials and supplies) which have become due and payable; (iii) pay or cause to be paid such disputed taxes or other claims, levies or liabilities of it upon the delivery of any judgment or order, interim or otherwise, (unless contested by the relevant person bonafide, validly and in good faith, as determined by the Debenture Trustee) requiring the payment of any such Taxes; (iv) duly pay and discharge all dues and charges</p>	<p>Company has paid all Taxes (including stamp taxes), duties, duties, fees, or other charges as required under Transaction Documents / applicable laws.</p>	<p>Yes</p>

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which have become due (including those (if any) which are payable in arrears) in respect of the Secured Assets (now owned or hereafter acquired) including, without limitation, all the government revenue, rates, rents, taxes, conversion costs, premiums, assessments, dues and duties and all charges of a public nature and all other dues, charges and outgoings of governmental or non-governmental or any other nature whatsoever.		
(j) The Company shall comply in all respects with all Applicable Laws including, the Companies Act, 2013, all provisions of SEBI DT Regulations and SEBI Debt Listing Regulations, SEBI LODR, the debt listing agreement entered into with the stock exchanges.	The Company has complied all the applicable laws including listing of debentures with the Stock Exchange, credit of debentures in favor of Debenture Holder, etc. The Company has submitted the Financial Results on 9 th November 2020 to the respective stock exchanges and Debenture Trustees / holders	Yes
(k) The Company undertakes to maintain and keep in proper order, repair and in good condition the assets.	The Company's assets are maintained and kept in proper order, repair and in good condition.	Yes
(n) The Company shall not forfeit unclaimed interest/dividend and such unclaimed interest/dividend shall be transferred to "Investor Education and Protection Fund" as per Section 125 of the Act.	The interest is due to be paid on July 30, 2021 and if remained unclaimed, the said interest will become liable to be transferred after the expiry of 7 years as per Section 125 of Companies Act, 2020	Yes
(o) The Company shall submit to the Debenture Trustee/stock exchange and the Debenture Holders correct and adequate information (in the manner and format as requested by them or as required by Applicable Law) and within the timelines and procedures specified in the Applicable Laws.	The Company has submitted unaudited financial results for the quarter ended September 30, 2020 on 9 th November, 2020	Yes
(p) The Company shall maintain a functional website containing correct and updated information as required by SEBI LODR and other Applicable Laws.	The Company maintained website - www.vipindustries.co.in which updated on regular basis as required under the SEBI LODR / Companies Act, 2013	Yes
(q) The Company shall at all times until the Final Settlement Date, keep the Secured Assets granted, conveyed, assigned and assured or secured or hypothecated or mortgaged or expressed so to be in terms of this Deed and in a good and substantial state of repair;	The Company has already hypothecated the required assets by executing the deed of hypothecation dated 26th October, 2020 in favour of Debenture Trustee.	Yes

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<p>(r) The Company shall ensure that:</p> <p>(i) the hypothecation on the Hypothecated Assets is perfected at all times and the Hypothecated Assets, is for the benefit of the Debenture Holders;</p> <p>(ii) the Mortgage on the Mortgaged Assets is perfected at all times and the Mortgaged Assets is for the benefit of the Debenture Holders;</p> <p>(iii) the Debenture Trustee shall have received the Form CHG 9, as the case may be, duly filed by the Company with the relevant registrar of companies and evidence of CERSAI filings for recording the security created in relation to the Debentures, in favour of the Debenture Trustee, within 30 (thirty) days from the date of creation of the relevant Security;</p> <p>(iv) the issue and/or creation of security therewith are not / shall not be contravention with any terms and conditions of the existing Financial indebtedness of the Company / or the existing agreements entered into by the Company;</p> <p>(v) shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all permits, licenses and other approvals and no objection certificates required to be maintained by the Issuer in connection with the Secured Assets from time to time;</p> <p>(vi) at all times it is in a position to handover peaceful possession and enjoyment of the Secured Assets to the Debenture Trustee in the event of the Security Interest becoming enforceable by virtue of these presents or other Transaction Documents or otherwise in accordance with the Applicable Laws;</p>	<p>Form CHG-9 has been sent to the Debenture Trustee post creation of Charge on Company's asset, however, debenture trustee are yet to provide the certified form CHG-9 for filing with the RoC. The Company has already received the No objection certificate from the Consortium Bank.</p>	<p>Yes</p>
<p>(s) the Company shall execute and/or do and maintain in full force, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably deem fit or consider necessary or as may be required under the terms of Applicable Law for creation, perfection and enforceability of the Security Interest intended to be constituted or facilitating the realisation thereof, or otherwise in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee, to ensure the legal validity and enforceability of the Security Interest and to comply with all the conditions therein.</p>	<p>The Company has paid the respective stamp duty and expenses incurred towards registration of Deed of hypothecated executed in favour of debenture trustee</p>	<p>Yes</p>

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Clause Financial Covenants		
8.4.1 The Issuer hereby covenants and agrees that until the Final Settlement Date:		
(a) The Net Debt of the Company shall not exceed the Drawing Power available with banks by way of working capital;	The Net Debt of the Company remains within the Drawing Power available with banks by way of working capital;	Yes
(b) For the purposes of this Clause: "Drawing Power" shall be defined as " $(\text{Inventory minus sundry creditors}) * 75\% + (\text{Receivables} * 65\%)$." "Net Debt" shall be defined as "all short-term debts (secured or unsecured) including working capital limits utilized + All long term debts (secured or unsecured) + all guarantees given by the Company minus all unencumbered cash and investments in top 5 mutual funds and marketable bonds issued by AAA rated public sector companies and/or AAA HDFC Group bonds. Top five mutual funds for the above purpose are: 1. ICICI Prudential Mutual Fund. 2. HDFC Mutual Fund. 3. Aditya Birla Sun Life Mutual Fund. 4. India Mutual Fund. 5. SBI Mutual Fund."	Drawing power has been calculated as defined here	Yes
(c) The Issuer shall provide on a quarterly basis, and in any event within 30 (thirty) days from the end of each quarter, stock statements and Drawing Power certified by statutory auditors, to ascertain Drawing Power. In case the statutory auditor is changed and the incoming statutory auditors is not one of the Big 5 audit firms, the certificate has to be provided by any one of the Big 5 audit firms within the timelines as prescribed above; and	Statutory Auditor certificate to be signed and submitted to debenture trustee within the agreed timeline of 45 days from the end of each quarter.	Yes

Notes:

1. The Statement is prepared by the Management of the Company for submitting along with the documents pursuant to Regulation 56 (1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated September 2, 2015 to be read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations, 2020 dated October 8, 2020. ("Listing Regulations")
2. We have complied with the requirements of Listing Regulations and amendments thereof from time to time.

VIP INDUSTRIES LIMITED

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3. The above statements excludes covenants which are informational in nature which have been noted by the Management and coven tents which are enforceable only in future which will be complied as and when the clause becomes enforceable. These covenants are as follows:

Covenants	Informational in nature	Enforceable in future
Covenant to Pay mentioned in Clause 3.2	-	Clause 3.2
Information Covenants mentioned in Clause 8.1	Clause 8.1 (q) and (aa)	Clause 8.1 (i), (j), (r), (s), (t), (u) and (cc)
Positive Covenants mentioned in Clause 8.2	Clause 8.2 (e) and (m)	Clause 8.2 (l)
Negative Covenants mentioned in Clause 8.3.1	Clause 8.3.1 (a) to (h)	-
Financial Covenants mentioned in Clause 8.4.1	-	Clause 8.4.1 (d)

4. The Company's operations and financial results for the period ended September 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic, as the travel industry has been amongst the most affected segments in the economy. The company has been closely monitoring the changes in the economic conditions and its possible impact on its business. Though the impact has been severe in the first quarter, we see signs of recovery across most of our markets of operations. The company has gradually resumed operations across most of the locations including the manufacturing plants. As per our current assessment no significant impact on the financial position of the Company is expected and no further adjustments are envisaged. The actual impact may differ from that estimated as at the date of signing of this statement. The Company will continue to monitor any changes in the future economic conditions.
5. We certify that the above information is true and correct.

For and on behalf of VIP Industries Limited

NEETU

KASHIRAMKA

Neetu Kashiramka

Chief Financial Officer

Digitally signed by NEETU
KASHIRAMKA
Date: 2020.11.12 21:37:28 +05'30'

ALPA
KEDIA

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ALPA KEDIA

Date: 2020.11.12

22:11:39 +05'30'

The statutory auditor has digitally signed the statement for identification purpose only and this statement should be read in conjunction with report dated November 12, 2020

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November 12, 2020

To,
Catalyst Trusteeship Limited

Statement of compliance with the debt covenants

Compliance status of all covenants and mentioned in the Debenture Trust Deed dated September 03, 2020 for the period September 03, 2020 to September 30, 2020

Dear Sirs,

Covenants	Procedures performed by management	Complied
Clause 8.1 Information Covenants		
8.1.1 The Issuer shall provide / cause to be provided information in respect of the following promptly from the occurrence of such event (unless otherwise specifically provided):		
(a) Notification to the Debenture Trustee in writing of any notice of any application for insolvency resolution process or winding up having been made or receipt of any statutory notice of commencement of insolvency resolution process or winding up under the provisions of the Act.	The Company has not received any notice of any application for insolvency resolution process or winding up having been made or receipt of any statutory notice of commencement of insolvency resolution process or winding up under the provisions of the Act	Yes
(b) Notification to the Debenture Trustee in writing of any proposed change in the nature or scope of the business or operations of the Company prior to the date on which such action is proposed to be given effect, which affects the Debenture Holders adversely.	The Company has not proposed any change in the nature or scope of the business or operations.	Yes
(c) Notification to the Debenture Trustee in writing of any major change in the composition of its Board of Directors.	There is no change in the composition of the Board of Directors during the period September 03, 2020 to September 30, 2020	Yes
(d) Notify the Debenture Trustee in writing of any event which constitutes an Early Redemption Event/ Event of Default or any event which may constitute (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Early Redemption Event / Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same. This should be notified forthwith.	No event has triggered which constitutes or may constitute Early Redemption Event/ Event of Default for the period September 03, 2020 to September 30, 2020	Yes
(e) Notify the Debenture Trustee in writing of the occurrence of any event which constitutes Material Adverse Effect together with the remedial steps proposed to be taken by the Issuer.	No event has triggered which constitutes material adverse effect for the period September 03, 2020 to September 30, 2020	Yes

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(f) Submission of a certificate from the statutory auditor of the Company regarding the utilisation of the proceeds raised from the issuance of the Debentures, within a maximum period of 30 (thirty) days from Deemed Date of Allotment.	We have submitted CA certificate (SCVJ and associates) dated 3rd October 2020 regarding utilisation of proceeds raised from Debentures within 30 days. (Not by Statutory auditor).	Yes
(g) Submission of a report to the Debenture Trustee on a quarterly basis and/or upon request, containing the following particulars: (i) Updated list of names and addresses of the Debenture Holders; (ii) Details of payments due but unpaid and reasons for non-payment thereof; (iii)The number and nature of grievances received from the Debenture Holders and (a) resolved by the Issuer or (b) those grievances not yet resolved to the satisfaction of the Debenture Holders and the reasons for the same; (iv)a statement that the Secured Assets which are made available by way of Security are sufficient to discharge the claims of the Debenture Holders as and when they become due; (v) Certificate from the director/managing director of the Issuer certifying the value of the book debts / receivables; and (vi) Any other information as may be required by the Debenture Trustee	The Company has submitted a report to the Debenture Trustee on 30th October, 2020 -- (i) Updated list of names and addresses of the Debenture Holders; (ii) Details of payments due but unpaid and reasons for non-payment thereof; (iii)The number and nature of grievances received from the Debenture Holders and (a) resolved by the Issuer or (b) those grievances not yet resolved to the satisfaction of the Debenture Holders and the reasons for the same. (iv) - In addition to the statement mentioned in this clause, a separate Certificate from a Practicing Chartered Accountant supporting the security cover certificate is submitted. (v) - MD certificate certifying the value of the Book debts / receivable to be submitted along with the a Certificate from an independent chartered accountant giving the value of book debts / receivables.	Yes
(h) Submit to the Debenture Trustee the unaudited financial results on a half yearly basis, within 60 (sixty) days from the end of each half-year.	Submitted on November 9, 2020 post approval of unaudited financial results for the quarter ended 30th September, 2020 by the Board of Directors of the Company	Yes
(k) Submit to the Debenture Trustee at the end of every quarter and in any event not later than 30 (thirty) days from the end of each quarter, a statement of its drawing power and stock statement, certified by its statutory auditors;	Requirement for certification of a statement of its drawing power and stock statement to be certified by statutory auditors within agreed timeline of 45 days from the end of quarter ended September 30, 2020	Yes
(l) Notification of occurrence of any event that can put the Secured Assets in jeopardy;	No such even has occurred which put the Company's secured assets in jeopardy for the period September 03, 2020 to 30 Sep, 2020	Yes

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(m) Submission to the Debenture Trustee, all such documents as are dispatched by the Company to its shareholders (or any class of them) or its creditors generally, simultaneously with the dispatch of the same to its shareholders/creditors.	No documents have been dispatched by the Company to its shareholders or its creditors	Yes
(n) Submission to the Debenture Trustee, a certificate signed by an authorised officer of the Company confirming credit of dematerialised Debentures into the depository accounts of the Debenture Holder(s) within the timelines as agreed between the Parties or as prescribed by the Applicable Laws, whichever is earlier.	Certificate signed by Company Secretary confirming credit of dematerialised Debentures into the depository accounts of the Debenture Holder was submitted on 30 th October, 2020	Yes
(o) Notification to the Debenture Trustee in writing of any change in the credit rating assigned to the Debentures	There is no change or revision in the credit rating. Crisil has assigned CRISIL AA/Stable vide its letter dated September 1, 2020	Yes
(p) Submission to the Debenture Trustee, a copy of all notices, resolutions and circulars relating to: (i) new issue of non-convertible debt securities at the same time as they are sent to shareholders/holders of non-convertible debt securities; (ii) the meetings of holders of non-convertible debt securities at the same time as they are sent to the holders of non-convertible debt securities or advertised in the media including those relating to proceedings of the meetings.	No such notices, resolutions and circulars relating to new issue / meetings of holders of non-convertible debt securities are sent to the Shareholders / NCD holders	Yes
(v) Notify the Debenture Trustee in writing of any security interest being granted or established or becoming enforceable over any of the Company's assets.	No new charge / interest is created or enforced over any of the Company's assets.	Yes
(w) Notify the Debenture Trustee in writing, of any proposed change in Management Control, prior to 20 (Twenty) days of such proposed change in Management Control.	There is no proposed change in Management Control for the period September 03, 2020 to September 30, 2020	Yes
(x) Notify the Debenture Trustee forthwith of any litigation/proceedings by or against the Company which may adversely affect the Company or the Secured Assets or prejudice the obligations undertaken by the Company under the Transaction Documents.	There is no litigation/proceedings filed by or against the Company which may adversely affect the Company or the Secured Assets or prejudice the obligations undertaken by the Company under the Transaction Documents.	Yes
(y) Promptly inform the Debenture Trustee in the event of the occurrence of any of the following: - (i) any corporate debt restructuring undertaken by the Company; (ii) any fraud/defaults by the promoter of the Company or key managerial personnel of the Company or by the Company or arrest of any key managerial personnel of the Company; and (iii) reference to national company law tribunal or insolvency petitions (if any) filed by any creditor of	During the period September 03, 2020 to September 30, 2020: (i) The Company has not undertaken any corporate debt restructuring undertaken (ii) No event has occurred like fraud / defaults by Promoters / KMP's or arrest of KMP's of the Company or arrest of any key managerial personnel of the Company (iii) No reference to NCLT has been made	Yes

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the Company.	or insolvency petitions (if any) filed by any creditor of the Company	
(z) Furnish to the Debenture Trustee such other information and certificates, as may be required from time to time as per the Applicable Laws.	The Company has submitted the required information and certificates as per the applicable laws.	Yes
(bb) Furnish to the Debenture Trustee, within 30 (thirty) days from the end of each quarterly, a certificate from a practicing chartered accountant in a form and manner acceptable to the Debenture Trustee (with a copy marked to the Debenture Holders), certifying that the Required Security Cover is maintained.	We have submitted Certificate dated 28 th Oct 2020 from a practicing CA Ms S C V J and associates certifying that required security Cover is maintained. The same is share with Debenture Trustee. The required Security cover of 1.5x of current assets as on 30th Sept 2020 is maintained.	Yes
Clause 8.2 Positive Covenants		
8.2.1 The Issuer hereby covenants and agrees that until the Final Settlement Date, the Issuer shall comply with the following:		
(a) The Issuer shall ensure that the Promoter shall remain the chairman on the board of directors of the Issuer during the tenor of the Debentures.	The Company has ensured that promoter remains the Chairman on the Board of Directors	Yes
(b) The Issuer shall ensure that the Promoter and the Promoter Group, shall at all points of time, hold 51% of the shareholding of the Issuer, till the subsistence of the Debentures.	The Promoters and Promoters Group holding is 53.46% for the period April 01, 2020 to September 30, 2020	Yes
(c) The Issuer shall utilise the monies received upon subscription to the Debentures solely towards the End Use.	The Company has utilized the monies solely towards the end use i.e. for the general purpose of the Company	Yes
(d) The Issuer shall maintain its/ their existence, corporate or otherwise, and right to carry on business and operations and ensure that it has the appropriate, requisite material consents and is duly qualified to conduct its business and operations as it is conducted in all applicable jurisdictions and will obtain and maintain all material consents and rights necessary for the conduct of its business and operations in such jurisdictions.	The Company has maintained its right to carry on business and operations with all the requisite consents are in place.	Yes
(f) The Issuer shall perform all of its respective obligations under the terms of the applicable Transaction Documents and maintain in full force and effect each of the Transaction Documents to which it is a party.	The Company has performed all its respective obligations under the transaction documents like creation of security, crediting of debentures in favor of debenture holders, etc	Yes
(g) The Issuer shall without undue delay attend to and redress the grievances, if any, of the Debenture Holder(s). The Issuer further agrees that it shall promptly advise the Debenture Trustee of the grievances and the steps taken by the Issuer to	No Complaint has been received for the period September 03, 2020 to September 30, 2020	Yes

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<p>redress the same. The Issuer further shall inform the Debenture Trustee of any unsatisfied grievances and may accept the suggestions of the Debenture Trustee in the redressal of the same.</p>		
<p>(h) Records and Inspection: The Issuer hereby agrees that it shall: (i) keep such adequate accounting and control systems, management information systems, books of account, and other records as are required to be maintained under the law and such accounts as are adequate to reflect truly and fairly the financial condition and results of operations and which shall contain full, true and correct entries in conformity with generally accepted accounting principles consistently applied and all requirements of law; and (ii) at its sole cost and expense permit the Debenture Trustee, as the representative of the Debenture Holders, to enter into, after having provided the Issuer with reasonable notice of at least 14 (Fourteen) Business Days, its premises and carry out technical, financial and legal inspections of its assets, facilities and inspect and make copies of the books of record and accounts of the Issuer to discuss the affairs, finances and accounts of the Issuer with, and be advised as to the same, by its officers.</p>	<p>The Company has kept adequate accounting and control systems, management information systems, books of account, and other records at the registered office of the Company which contains full, true and correct entries in conformity as per the Indian Accounting Standards. (ii) No such notice / email received from the Debenture Trustee to carry out technical, financial and legal inspections of Company's assets, facilities and inspect and make copies of the books of record and accounts.</p>	<p>Yes</p>
<p>(I) The Company shall: (i) pay or cause to be paid all Taxes (including stamp taxes), duties, fees, or other charges payable on or in connection with the execution, issue, delivery, registration, or notarization, or for the legality, validity, or enforceability of any of the Transaction Documents and any other documents related thereto; (ii) pay or cause to be paid all Taxes, duties and fees payable by it under Applicable Law, including but not limited to payment of (i) all present and future Taxes imposed on it prior to or on the date when due and (ii) all present and future claims, levies or liabilities (including for labour, services, materials and supplies) which have become due and payable; (iii) pay or cause to be paid such disputed taxes or other claims, levies or liabilities of it upon the delivery of any judgment or order, interim or otherwise, (unless contested by the relevant person bonafide, validly and in good faith, as determined by the Debenture Trustee) requiring the payment of any such Taxes; (iv) duly pay and discharge all dues and charges</p>	<p>Company has paid all Taxes (including stamp taxes), duties, duties, fees, or other charges as required under Transaction Documents / applicable laws.</p>	<p>Yes</p>

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which have become due (including those (if any) which are payable in arrears) in respect of the Secured Assets (now owned or hereafter acquired) including, without limitation, all the government revenue, rates, rents, taxes, conversion costs, premiums, assessments, dues and duties and all charges of a public nature and all other dues, charges and outgoings of governmental or non-governmental or any other nature whatsoever.		
(j) The Company shall comply in all respects with all Applicable Laws including, the Companies Act, 2013, all provisions of SEBI DT Regulations and SEBI Debt Listing Regulations, SEBI LODR, the debt listing agreement entered into with the stock exchanges.	The Company complied all the applicable laws including listing of debentures with the Stock Exchange, credit of debentures in favor of Debenture Holder, etc. The Company has submitted the Financial Results on 9 th November 2020 to the respective stock exchanges and Debenture Trustees / holders	Yes
(k) The Company undertakes to maintain and keep in proper order, repair and in good condition the assets.	The Company's assets are maintained and kept in proper order, repair and in good condition.	Yes
(n) The Company shall not forfeit unclaimed interest/dividend and such unclaimed interest/dividend shall be transferred to "Investor Education and Protection Fund" as per Section 125 of the Act.	The interest is due to be paid on September 07, 2021 and if remained unclaimed, the said interest will become liable to be transferred after the expiry of 7 years as per Section 125 of Companies Act, 2020	Yes
(o) The Company shall submit to the Debenture Trustee/stock exchange and the Debenture Holders correct and adequate information (in the manner and format as requested by them or as required by Applicable Law) and within the timelines and procedures specified in the Applicable Laws.	The Company has submitted unaudited financial results for the quarter ended September 30, 2020 on 9 th November, 2020	Yes
(p) The Company shall maintain a functional website containing correct and updated information as required by SEBI LODR and other Applicable Laws.	The Company maintained website - www.vipindustries.co.in which updated on regular basis as required under the SEBI LODR / Companies Act, 2013	Yes
(q) The Company shall at all times until the Final Settlement Date, keep the Secured Assets granted, conveyed, assigned and assured or secured or hypothecated or mortgaged or expressed so to be in terms of this Deed and in a good and substantial state of repair;	The Company has already hypothecated the required assets by executing the deed of hypothecation dated 26th October, 2020 in favour of Debenture Trustee.	Yes

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<p>(r) The Company shall ensure that:</p> <p>(i) the hypothecation on the Hypothecated Assets is perfected at all times and the Hypothecated Assets, is for the benefit of the Debenture Holders;</p> <p>(ii) the Mortgage on the Mortgaged Assets is perfected at all times and the Mortgaged Assets is for the benefit of the Debenture Holders;</p> <p>(iii) the Debenture Trustee shall have received the Form CHG 9, as the case may be, duly filed by the Company with the relevant registrar of companies and evidence of CERSAI filings for recording the security created in relation to the Debentures, in favour of the Debenture Trustee, within 30 (thirty) days from the date of creation of the relevant Security;</p> <p>(iv) the issue and/or creation of security therewith are not / shall not be contravention with any terms and conditions of the existing Financial indebtedness of the Company / or the existing agreements entered into by the Company;</p> <p>(v) shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all permits, licenses and other approvals and no objection certificates required to be maintained by the Issuer in connection with the Secured Assets from time to time;</p> <p>(vi) at all times it is in a position to handover peaceful possession and enjoyment of the Secured Assets to the Debenture Trustee in the event of the Security Interest becoming enforceable by virtue of these presents or other Transaction Documents or otherwise in accordance with the Applicable Laws;</p>	<p>Form CHG-9 has been sent to the Debenture Trustee post creation of Charge on Company's asset, however, debenture trustee are yet to provide the certified form CHG-9 for filing with the RoC. The Company has already received the No objection certificate from the Consortium Bank.</p>	<p>Yes</p>
<p>(s) the Company shall execute and/or do and maintain in full force, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably deem fit or consider necessary or as may be required under the terms of Applicable Law for creation, perfection and enforceability of the Security Interest intended to be constituted or facilitating the realisation thereof, or otherwise in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee, to ensure the legal validity and enforceability of the Security Interest and to comply with all the conditions therein.</p>	<p>The Company has paid the respective stamp duty and expenses incurred towards registration of Deed of hypothecated executed in favour of debenture trustee</p>	<p>Yes</p>
<p>Clause Financial Covenants</p>		
<p>8.4.1 The Issuer hereby covenants and agrees that until the Final Settlement Date:</p>		
<p>(a) The Net Debt of the Company shall not exceed the Drawing Power available with banks by way of</p>	<p>The Net Debt of the Company remains within the Drawing Power available with</p>	<p>Yes</p>

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working capital;	banks by way of working capital;	
<p>(b) For the purposes of this Clause: "Drawing Power" shall be defined as "$((\text{Inventory minus sundry creditors}) * 75\%) + (\text{Receivables} * 65\%)$."</p> <p>"Net Debt" shall be defined as "all short-term debts (secured or unsecured) including working capital limits utilized + All long term debts (secured or unsecured) + all guarantees given by the Company minus all unencumbered cash and investments in top 5 mutual funds and marketable bonds issued by AAA rated public sector companies and/or AAA HDFC Group bonds.</p> <p>Top five mutual funds for the above purpose are:</p> <ol style="list-style-type: none"> 1. ICICI Prudential Mutual Fund. 2. HDFC Mutual Fund. 3. Aditya Birla Sun Life Mutual Fund. 4. India Mutual Fund. 5. SBI Mutual Fund." 	Drawing power has been calculated as defined here	Yes
<p>(c) The Issuer shall provide on a quarterly basis, and in any event within 30 (thirty) days from the end of each quarter, stock statements and Drawing Power certified by statutory auditors, to ascertain Drawing Power. In case the statutory auditor is changed and the incoming statutory auditors is not one of the Big 5 audit firms, the certificate has to be provided by any one of the Big 5 audit firms within the timelines as prescribed above;</p>	Statutory Auditor certificate submitted to debenture trustee	Yes

Notes:

1. The Statement is prepared by the Management of the Company for submitting along with the documents pursuant to Regulation 56 (1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated September 2, 2015 to be read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations, 2020 dated October 8, 2020. ("Listing Regulations")
2. We have complied with the requirements of Listing Regulations and amendments thereof from time to time.

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3. The above statements excludes covenants which are informational in nature which have been noted by the Management and coven tents which are enforceable only in future which will be complied as and when the clause becomes enforceable. These covenants are as follows:

Covenants	Informational in nature	Enforceable in future
Covenant to Pay mentioned in Clause 3.2	-	Clause 3.2
Information Covenants mentioned in Clause 8.1	Clause 8.1 (q) and (aa)	Clause 8.1 (i), (j), (r), (s), (t), (u) and (cc)
Positive Covenants mentioned in Clause 8.2	Clause 8.2 (e) and (m)	Clause 8.2 (l)
Negative Covenants mentioned in Clause 8.3.1	Clause 8.3.1 (a) to (h)	-
Financial Covenants mentioned in Clause 8.4.1	-	Clause 8.4.1 (d)

4. The Company's operations and financial results for the period ended September 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic, as the travel industry has been amongst the most affected segments in the economy. The company has been closely monitoring the changes in the economic conditions and its possible impact on its business. Though the impact has been severe in the first quarter, we see signs of recovery across most of our markets of operations. The company has gradually resumed operations across most of the locations including the manufacturing plants. As per our current assessment no significant impact on the financial position of the Company is expected and no further adjustments are envisaged. The actual impact may differ from that estimated as at the date of signing of this statement. The Company will continue to monitor any changes in the future economic conditions.
5. We certify that the above information is true and correct.

For and on behalf of VIP Industries Limited

NEETU
KASHIRAMKA
Neetu Kashiramka
Chief Financial Officer

Digitally signed by NEETU
KASHIRAMKA
Date: 2020.11.12 21:36:36
+05'30'

ALPA
KEDIA

Digitally signed
by ALPA KEDIA
Date: 2020.11.12
22:10:33 +05'30'

The statutory auditor has digitally signed the statement for identification purpose only and this statement should be read in conjunction with report dated November 12, 2020

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November 12, 2020

To,
Catalyst Trusteeship Limited

Statement of Security Cover ratio as on September 30, 2020 as mentioned in para 'ttt' of clause 1.1 of the Debenture Trust Deed dated July 29, 2020 and September 03, 2020

Dear Sirs,

Particulars	Legends	Amounts (INR in Crore) and Ratio
Inventories	A	317.08
Financial assets	B	393.93
Other current assets	C	55.73
Assets Held for Sale	D	13.03
Current Assets as on September 30, 2020	E = A+B+C+D	779.77
Outstanding Amount of Debentures as on 30th Sept 2020	F	150
Security Cover = Current Assets / Outstanding Amount of Debenture (Times)	G = E/F	5.20

Notes:

1. The Security cover as above is prepared as per para 'ttt' of clause 1.1 of the Debenture Trust deed dated July 29, 2020 and September 03, 2020.
2. Company has maintained the minimum Security cover of 1.50 times of the outstanding amounts as mentioned in para 'ttt' of clause 1.1 read with 6.4.1 of Debenture Trust deed dated July 29, 2020 and September 03, 2020.
3. The financial information used for preparation of this statement is extracted from the latest financial results of the Company which are the unaudited standalone balance sheet at September 30, 2020 and unaudited standalone financial results for the quarter and the half year ended September 30, 2020 (The "Results").
4. (ii) Schedule III of Companies Act, 2013 defines Current Assets as –
'An asset shall be classified as current when it satisfies any of the following criteria:—
a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

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- b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within twelve months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
5. The Statement is prepared by the management of the Company, for submitting along with other documents pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated September 2, 2015 to be read with, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2020, dated October 08, 2020.
6. The Company's operations and financial results for the period ended September 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic, as the travel industry has been amongst the most affected segments in the economy. The company has been closely monitoring the changes in the economic conditions and its possible impact on its business. Though the impact has been severe in the first quarter, we see signs of recovery across most of our markets of operations. The company has gradually resumed operations across most of the locations including the manufacturing plants.
As per our current assessment no significant impact on the financial position of the Company is expected and no further adjustments are envisaged. The actual impact may differ from that estimated as at the date of signing of this statement. The Company will continue to monitor any changes in the future economic conditions.
7. We certify that the above information is true and correct.

Yours faithfully,

For and on behalf of VIP Industries Limited

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Neetu Kashiramka
Chief Financial Officer

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The statutory auditor has digitally signed the statement for identification purpose only and this statement should be read in conjunction with report dated November 12, 2020

VIP INDUSTRIES LIMITED

Registered Office: DGP House, 5th Floor, 88C, Old Prabhadevi Road, Mumbai 400 025. INDIA.
TEL: +91 (22) 6653 9000 FAX: +91 (22) 6653 9089 EMAIL: corpcomm@vipbags.com WEB: www.vipbags.com
CIN - L25200MH1968PLC013914

Price Waterhouse Chartered Accountants LLP

Date: November 12, 2020

For the kind attention of the Board of Directors

V.I.P. Industries Limited
The Board of Directors
M/s. V.I.P. Industries Limited
DGP House, 5th Floor, 88C
Old Prabhadevi Road,
Mumbai

Auditor's Report on Compliance with Statement of Drawing power as on September 30, 2020

1. This report is issued in accordance with the terms of our agreement dated November 12, 2020.
2. The accompanying Statement of Drawing power of V.I.P. Industries Limited (the "Company") as at September 30, 2020 (the "Statement") has been prepared by the Company's Management pursuant to requirement of para 'a' and 'b' of clause 8.4.1 of the Debenture Trust Deed entered into between the Company and Catalyst Trusteeship Limited ("Debenture Trustee") dated July 29, 2020 and September 03, 2020 (the "Trust Deed"). We have digitally signed the Statement for identification purposes only.

Managements' Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirement of the Trust Deed and that it provides complete and accurate information as required therein. The Management is also responsible for legal and statutory formalities in this regard and for providing all relevant information to the Debenture Trustee.

Auditors' Responsibility

5. Pursuant to the Agreement, it is our responsibility to examine the Statement and to report based on our procedures performed as described in paragraph 9 below, and according to the information and explanations given to us, whether anything has come to our attention that causes us to believe that the particulars in the Statements prepared by the Company are a) not in agreement with the books and relevant records of the Company for the period April 1, 2020 to September 30, 2020 and b) not in compliance with clause 8.4.1 (a) of the Trust Deeds.
6. The financial results for the period April 01, 2020 to September 30, 2020 relating to the books and records referred to in paragraph 5 above, are subject to our audit pursuant to the requirements of the Companies Act, 2013.

.....
*Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West),
Mumbai - 400 028*
T: +91(22) 66691500, F: +91 (22) 66547804/07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse [a Partnership Firm] converted into Price Waterhouse Chartered Accountants LLP [a Limited Liability Partnership with LLP identity no: LUPIN AAC-5001] with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 [ICAI registration number before conversion was 012754N]

Price Waterhouse Chartered Accountants LLP

Auditor's Report on Compliance with Statement of Drawing power
V.I.P. Industries Limited

7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:
 - i. Traced the inventory consisting of Raw Materials, Finished Goods, Spares and Goods in Transit as on September 30, 2020 from the unaudited standalone books of account for the quarter ended September 30, 2020 ("Results").
 - ii. Traced the sundry creditors as on September 30, 2020 from the Statement of unaudited standalone financial results for the quarter and the half year ended September 30, 2020 ("Results").
 - iii. Traced Receivables as on September 30, 2020 from the Statement of unaudited standalone financial results for the quarter and the half year ended September 30, 2020 ("Results").
 - iv. Traced the Net Debts as defined in Clause 8.4.1 (b) of Trust Deed dated July 29, 2020 and September 03, 2020 as on September 30, 2020 from the Statement of unaudited standalone financial results for the quarter and the half year ended September 30, 2020 ("Results").
 - v. Verified that computation presented in the Statement is mathematically accurate.
 - vi. Verified that Net Debts of the Company does not exceed Drawing Power.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

Based on our examination as described in paragraph 5 and procedures performed as described in paragraph 9, above, and according to the information and explanations given to us, we report that nothing has come to our attention that causes us to believe that the particulars in the Statement prepared by the Company are:

- a) not in agreement with the books and relevant records of the Company for the period April 1, 2020 to September 30, 2020 and;
- b) not in compliance with clause 8.4.1 (a) of the Trust Deed.

Emphasis of matter

We draw your attention to Note 5 to the accompanying statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to the financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

Price Waterhouse Chartered Accountants LLP

Auditor's Report on Compliance with Statement of Drawing power
V.I.P. Industries Limited

Restriction on Use

10. Our work was performed solely to assist you in meeting the requirements of the Agreement to enable the Company meet the conditions of clause 8.4 of the Trust Deed dated July 29, 2020 and September 03, 2020. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
11. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Debenture Trustee and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/ N500016

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Alpa Kedia
Partner
Membership Number 100681

UDIN : 20100681AAAAGA7156
Place: Mumbai
Date: November 12, 2020

Statement of drawing power as on September 30, 2020 based on the stock and book debt position

(Rs.In Crores)

Items	Closing position as on 30.09.2020. (Rs. In Crores)	Less %	Margin Amount	Advance Value	Sub-limit (if any)	Drawing Power
(1)	(2)	(3)	(4)	(5)	(6)	(7)
I. Raw materials	33.52	25%	-	-	-	-
II. Finished Goods	273.79	25%	-	-	-	-
III. Spares	1.09	25%	-	-	-	-
IV Stock In Process	8.68	25%	-	-	-	-
Total (I to V)	317.08		-	-	-	-
LESS : Sundry Creditors	(209.76)	-	-	-	-	-
Net	107.32	25%	26.83	-	-	80.49
VI. Book debts (bills discounted excluded in above)	167.83	35%	58.74	-	-	109.09
Total (I to VI)						189.58

Note

- This statement is prepared by the Management of the Company pursuant to the requirements of clause 8.4.1 (a) and (b) of the debenture trust deed dated July 29, 2020 and September 03, 2020.
- Drawing power is calculated according to the clause 8.4.1 (b) of the debenture trust deed dated July 29, 2020 and September 03, 2020.
- Net debt of the Company available (pursuant to debenture trust deed dated July 29, 2020 and September 03, 2020) is not exceeding the drawing power amount calculated above. The calculation of Net debt is as follows :-

Particulars	Rs/Crs
Non Convertible Debentures	150.00
Bank Borrowings	55.03
Guarantees given by Company	1.27
Interest accrued but not due	1.55
Less:	
Cash and Bank Balance (unencumbered)	(90.00)
Investment in Aditya Birla Sun Life Mutual Fund and HDFC Mutual Fund	(49.71)
Total Net Debt	68.14

4. The financial information used for preparation of this statement is extracted from the latest financial results of the Company which are the unaudited standalone balance sheet at September 30, 2020 and unaudited standalone financial results for the quarter and the half year ended September 30, 2020 (The "Results").

5. The Company's operations and financial results for the period ended September 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic, as the travel industry has been amongst the most affected segments in the economy. The company has been closely monitoring the changes in the economic conditions and its possible impact on its business. Though the impact has been severe in the first quarter, we see signs of recovery across most of our markets of operations. The company has gradually resumed operations across most of the locations including the manufacturing plants.

As per our current assessment no significant impact on the financial position of the Company is expected and no further adjustments are envisaged. The actual impact may differ from that estimated as at the date of signing of this statement. The Company will continue to monitor any changes in the future economic conditions.

6. We certify that the above information is true and correct.

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For and on behalf of VIP Industries Limited
NEETU KASHIRAMKA Digitally signed by NEETU KASHIRAMKA
Date: 2020.11.12 21:39:56 +05'30'
Neetu Kashiramka
Chief Financial Officer

The statutory auditor has digitally signed the statement for identification purpose only and this statement should be in conjunction with report dated November 12, 2020